

2011 Property Tax Report

Decatur County

with Comparisons to Prior Years



Legislative Services Agency

September 2011

This report describes property tax changes in Decatur County between 2010 and 2011, with comparison to changes since 2007. In 2011, the changes from the big tax reform of 2008 were fully phased in with the elimination of the last of the state homestead credits. The 2009 recession affected assessments and local tax credits in many counties. Changes in local levies and assessments also were important in many counties.

Comparable Homestead Property Tax Changes in Decatur County

The average homeowner saw a 4.9% tax bill increase from 2010 to 2011.

Homestead taxes in 2011 were still 20.3% lower than they were in 2007, before the property tax reforms.

87.7% of homeowners saw lower tax bills in 2011 than in 2007.

62.7% of homeowners saw tax increases of between 1% and 9% from 2010 to 2011.

The largest percentage of homeowners have seen between a 10% and 39% decrease in their tax bills from 2007 to 2011.

	2010 to 2011		2007 to 2011	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
Summary Change in Tax Bill				
Higher Tax Bill	4,539	78.0%	711	12.2%
No Change	41	0.7%	4	0.1%
Lower Tax Bill	1,241	21.3%	5,106	87.7%
Average Change in Tax Bill	4.9%		-20.3%	
Detailed Change in Tax Bill				
20% or More	308	5.3%	216	3.7%
10% to 19%	581	10.0%	121	2.1%
1% to 9%	3,650	62.7%	374	6.4%
0%	41	0.7%	4	0.1%
-1% to -9%	1,090	18.7%	671	11.5%
-10% to -19%	84	1.4%	988	17.0%
-20% to -29%	23	0.4%	942	16.2%
-30% to -39%	11	0.2%	955	16.4%
-40% to -49%	12	0.2%	883	15.2%
-50% to -59%	9	0.2%	386	6.6%
-60% to -69%	3	0.1%	126	2.2%
-70% to -79%	3	0.1%	68	1.2%
-80% to -89%	1	0.0%	38	0.7%
-90% to -99%	1	0.0%	14	0.2%
-100%	4	0.1%	35	0.6%
Total	5,821	100.0%	5,821	100.0%

Note: Percentages may not total due to rounding.

★★★★★★

LOSS OF THE STATE HOMESTEAD CREDIT INCREASED HOMEOWNER TAX BILLS

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Homestead Property Taxes

Homestead property taxes increased 4.9% on average in Decatur County in 2011. This was near the state average of 4.4%. Decatur County homestead taxes were still 20.3% lower in 2011 than they were in 2007, before the big tax reform. The homestead tax increase in 2011 was mostly due to the phaseout of the state homestead credit in 2011. The state homestead credit was 4.1% in Decatur County in 2010.

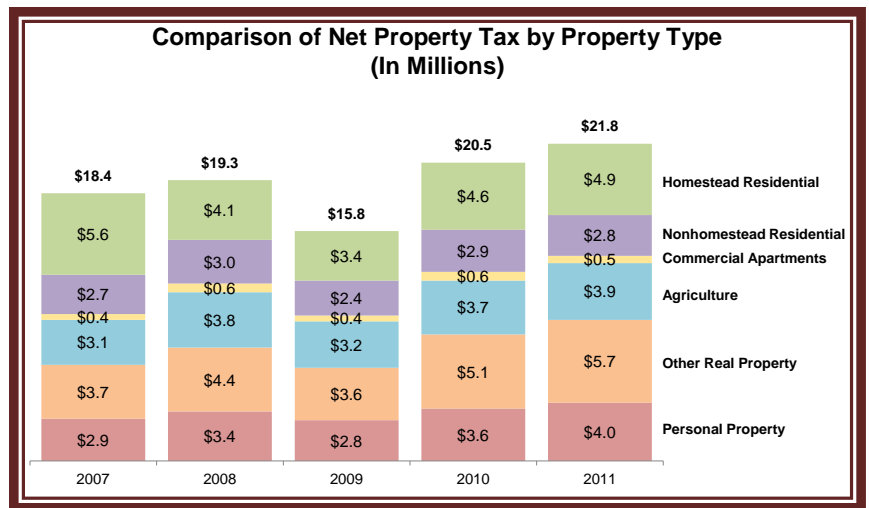
Tax Rates

Property tax rates increased in most Decatur County tax districts, but the average tax rate was unchanged because of reductions in the largest taxing districts. The average remained flat as a small levy increase was offset by an increase in net assessed value. Levies in Decatur County increased by 1.4%. The biggest levy increases were in the county general fund and a Greensburg City bond fund. Greensburg Community Schools reduced its levy for debt service. Decatur County's total net assessed value increased 4.3% in 2011. (The certified net AV used to compute tax rates rose by 1.4%.) This was mainly because business net assessments rose 12.8%. Homestead net assessments decreased by 1.9% and other residential assessments increased only 0.5%. Agricultural net assessments increased 1.7%.

★★★★★★
BUSINESS TAX BILLS INCREASED
SUBSTANTIALLY DUE TO A RISE IN
BUSINESS ASSESSMENTS
 ★★★★★★

Net Tax Bill Changes - All Property Types

Net tax bills for all taxpayers rose 6.6% in Decatur County in 2011, more than the statewide increase of 2.8%. Other residential property, which includes smaller rentals and second homes, saw net tax bills decrease by 1.9%. Tax bills for commercial apartments fell 12.5%. Business tax bills - which include commercial, industrial and utility buildings, land and equipment - increased substantially, by 11.6%. This increase was mainly the result of the large increase in business net assessments. Agricultural tax bills rose 4.3%, mostly due to the 3.2% increase in the base rate assessment of farm land, from \$1,250 to \$1,290 per acre for taxes in 2011.



Tax Cap Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

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TAX CAP CREDITS INCREASED IN 2011,
BUT REMAINED RELATIVELY LOW
 ★★★★★★

Total tax cap credit losses in Decatur County were \$382,015, or 1.7% of the levy. This was much less than the state average loss rate of 9.2%, and less than the median value of 3.8% among all counties. Tax rates are the main determinant of tax cap credits, and Decatur County's tax rates were less than the state median.

More than two-thirds of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were in the 1% homestead category. Decatur County has no district tax rates above \$3 per \$100 assessed value, so no business property in the 3% tax cap category qualifies for credits. The largest percentage losses were in the city of Greensburg and the Greensburg Library District. The largest dollar losses were in the city of Greensburg, Greensburg Community School Corporation, and the county unit.

Decatur County Tax Cap Credits	1%	2%	3%	Elderly	Total	% of Levy
2010 Tax Cap Credits	\$36,425	\$231,806	\$0	\$30,275	\$298,506	1.4%
2011 Tax Cap Credits	70,862	276,600	0	34,553	382,015	1.7%
Change	\$34,437	\$44,793	\$0	\$4,278	\$83,508	0.3%

added loss of 0.3% of the total tax levy. Most of the increase in tax cap credits was split between the 1% and 2% tax cap categories. The elimination of the state homestead credit contributed to the 1% tax cap credit increase.

The Effect of Recession

The 2009 recession had only small effects on Decatur County assessments for pay-2011. Homestead property values and construction activity appear to have fallen in Decatur County in 2009, but a large increase in business assessed values more than offset this decline.

★★★★★★
2009 RECESSION APPEARS TO HAVE HAD
LITTLE EFFECT ON ASSESSED VALUES
 ★★★★★★

Property Type	Gross AV 2010	Gross AV 2011	Gross AV Change	Net AV 2010	Net AV 2011	Net AV Change
Homesteads	\$867,195,110	\$863,601,550	-0.4%	\$368,548,891	\$361,509,309	-1.9%
Other Residential	170,759,800	170,386,900	-0.2%	168,806,768	169,714,627	0.5%
Ag Business/Land	314,080,090	319,222,750	1.6%	313,625,284	318,900,288	1.7%
Business Real/Personal	778,415,290	872,721,110	12.1%	440,781,585	497,203,091	12.8%
Total	\$2,130,450,290	\$2,225,932,310	4.5%	\$1,291,762,528	\$1,347,327,315	4.3%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Decatur County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	2011	% Change			
						2007 - 2008	2008 - 2009	2009 - 2010	2010 - 2011
County Total	26,170,507	28,773,386	15,719,243	20,226,906	20,512,343	9.9%	-45.4%	28.7%	1.4%
State Unit	30,576	31,907	0	0	0	4.4%	-100.0%		
Decatur County	5,761,104	6,511,609	4,340,290	4,979,462	5,204,443	13.0%	-33.3%	14.7%	4.5%
Adams Township	28,219	30,034	31,879	32,402	33,121	6.4%	6.1%	1.6%	2.2%
Clay Township	47,029	47,524	51,080	51,255	52,961	1.1%	7.5%	0.3%	3.3%
Clinton Township	14,903	15,505	16,362	16,448	17,001	4.0%	5.5%	0.5%	3.4%
Fugit Township	48,140	50,120	49,718	50,268	51,859	4.1%	-0.8%	1.1%	3.2%
Jackson Township	33,972	35,024	37,037	37,166	38,323	3.1%	5.7%	0.3%	3.1%
Marion Township	26,080	27,390	25,750	26,004	26,356	5.0%	-6.0%	1.0%	1.4%
Saltcreek Township	25,026	25,958	27,390	27,571	28,308	3.7%	5.5%	0.7%	2.7%
Sandcreek Township	129,144	138,333	142,071	143,741	149,398	7.1%	2.7%	1.2%	3.9%
Washington Township	116,709	140,572	145,523	180,170	182,060	20.4%	3.5%	23.8%	1.0%
Greensburg Civil City	3,163,206	3,333,838	2,704,491	3,807,943	4,099,113	5.4%	-18.9%	40.8%	7.6%
Milford Civil Town	5,799	0	0	0	0	-100.0%			
Millhousen Civil Town	6,880	6,698	4,998	6,313	6,320	-2.6%	-25.4%	26.3%	0.1%
New Point Civil Town	17,266	17,399	21,316	21,215	25,858	0.8%	22.5%	-0.5%	21.9%
St. Paul Civil Town	8,414	35,396	36,285	38,444	33,145	320.7%	2.5%	6.0%	-13.8%
Westport Civil Town	161,462	162,916	176,727	175,986	184,813	0.9%	8.5%	-0.4%	5.0%
Decatur County Community School Corp	7,069,043	7,318,294	3,278,710	3,574,561	3,943,053	3.5%	-55.2%	9.0%	10.3%
Greensburg Community School Corp	8,629,985	9,905,670	3,897,961	6,065,382	5,510,863	14.8%	-60.6%	55.6%	-9.1%
Greensburg Public Library	425,061	462,278	247,996	530,173	444,018	8.8%	-46.4%	113.8%	-16.3%
Decatur County Contractual Library	182,999	193,742	208,371	208,830	220,415	5.9%	7.6%	0.2%	5.5%
Decatur County Solid Waste Mgt Dist	229,323	232,652	222,820	253,572	260,915	1.5%	-4.2%	13.8%	2.9%
Greensburg Redevelopment Comm	10,167	50,527	52,468	0	0	397.0%	3.8%	-100.0%	

Decatur County 2011 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
16001	Adams Township	1.1521	--	--	0.8757%	--	--	--	1.1420
16002	St Paul Town-Adams Township	1.4842	--	--	0.3199%	--	--	--	1.4795
16003	Clay Township	1.1775	--	--	4.7985%	--	--	--	1.1210
16005	Clinton Township	1.1627	--	--	2.0151%	--	--	--	1.1393
16006	Fugit Township	1.1527	--	--	0.8749%	--	--	--	1.1426
16007	Jackson Township	1.1760	--	--	4.0843%	--	--	--	1.1280
16008	Marion Township-South	1.1450	--	--	1.0900%	--	--	--	1.1325
16009	Marion Township North	1.3304	--	--	0.4226%	--	--	--	1.3248
16010	Millhousen Town-Marion Township	1.2831	--	--	0.4199%	--	--	--	1.2777
16011	Saltcreek Township	1.1665	--	--	2.3909%	--	--	--	1.1386
16012	New Point Town	1.4176	--	--	10.6419%	--	--	--	1.2667
16013	Sandcreek Township	1.3165	--	--	2.3908%	--	--	--	1.2850
16014	Westport Town	1.9118	--	--	6.2339%	--	--	--	1.7926
16015	Washington Township	1.4088	--	--	28.4205%	--	--	--	1.0084
16016	Greensburg City	2.2758	--	--	5.1411%	--	--	--	2.1588
16017	Adams/Greensburg	2.0407	--	--	--	--	--	--	2.0407
16018	Clay-Greensburg	2.0548	--	--	--	--	--	--	2.0548

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Decatur County 2011 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Total	Levy	Circuit Breaker as % of Levy
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly				
<i>Non-TIF Total</i>	70,862	255,541	0	34,553		360,956	20,512,343	1.8%
<i>TIF Total</i>	0	21,059	0	0		21,059	2,149,329	1.0%
<i>County Total</i>	70,862	276,600	0	34,553		382,015	22,661,672	1.7%
Decatur County	12,857	46,364	0	7,102		66,323	5,204,443	1.3%
Adams Township	0	0	0	2		2	33,121	0.0%
Clay Township	0	1	0	31		32	52,961	0.1%
Clinton Township	0	0	0	11		11	17,001	0.1%
Fugit Township	0	0	0	8		8	51,859	0.0%
Jackson Township	0	0	0	7		7	38,323	0.0%
Marion Township	0	0	0	38		38	26,356	0.1%
Saltcreek Township	0	0	0	11		11	28,308	0.0%
Sandcreek Township	0	0	0	59		59	149,398	0.0%
Washington Township	28	101	0	203		332	182,060	0.2%
Greensburg Civil City	28,164	101,565	0	11,143		140,871	4,099,113	3.4%
Milford Civil Town	0	0	0	0		0	0	
Millhousen Civil Town	0	0	0	6		6	6,320	0.1%
New Point Civil Town	0	0	0	49		49	25,858	0.2%
St. Paul Civil Town	0	0	0	10		10	33,145	0.0%
Westport Civil Town	0	0	0	198		198	184,813	0.1%
Decatur County Community School Corp	0	17	0	1,585		1,603	3,943,053	0.0%
Greensburg Community School Corp	26,118	94,166	0	12,392		132,676	5,510,863	2.4%
Greensburg Public Library	3,051	11,002	0	1,207		15,260	444,018	3.4%
Decatur County Contractual Library	0	1	0	133		134	220,415	0.1%
Decatur County Solid Waste Mgt Dist	645	2,324	0	356		3,325	260,915	1.3%
Greensburg Redevelopment Comm	0	0	0	0		0	0	
TIF - Honda EDA Greensburg	0	5,744	0	0		5,744	1,371,455	0.4%
TIF - SR3 Exp Greensburg	0	15,136	0	0		15,136	248,792	6.1%
TIF - SRDevelopment Original	0	172	0	0		172	528,755	0.0%
TIF - Honda EDA Adams/Greensburg	0	7	0	0		7	327	2.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.